

UTILITIES SERVICE BOARD MEETING
May 30, 2006

UTILITIES SERVICE BOARD MEETINGS ARE RECORDED ELECTRONICALLY OR STENOGRAPHICALLY AND ARE AVAILABLE DURING REGULAR BUSINESS HOURS IN THE OFFICE OF THE DIRECTOR OF UTILITIES.

Board President Swafford called the regular meeting of the Utilities Service Board to order at 5:01 p.m. The meeting was held in Conference Room 100B at the Indiana University Research Park at 501 North Morton Street in Bloomington, Indiana.

Board members present: Tom Swafford, Susan Sandberg, Jeff Ehman, Sam Vaught and Julie Roberts. Staff members present: Patrick Murphy, John Langley, Mike Hicks, Michael Horstman, Mike Bengtson, Mike Trexler, Nathan Schulte and Adrian Reid. Others present: Sean Bright representing Schmidt Associates, Ben Beard representing Gentry Estates, Margaret Fette representing the Libertarian Party, Paul Soderquist representing Black & Veatch and Tom and Ginny Wyss.

MINUTES

BOARD MEMBER EHMAN MOVED AND BOARD MEMBER VAUGHT SECONDED THE MOTION TO APPROVE THE MINUTES OF THE MAY 15TH, 2006, MEETING. MOTION CARRIED. 5 AYES, 2 MEMBERS ABSENT, (HENKE AND WHIKEHART).

Ex Officio Board member Micuda arrived at this time.

CLAIMS

BOARDMEMBER VAUGHT MOVED AND BOARDMEMBER EHMAN SECONDED THE MOTION TO APPROVE THE CLAIMS AS FOLLOWS:

CLAIMS 0690683 THROUGH 0690751 INCLUDING \$146,459.87 FROM THE WATER OPERATIONS & MAINTENANCE FUND AND \$42,986.38 FROM THE WATER CONSTRUCTION FUND FOR A TOTAL OF \$189,446.25 FROM THE WATER UTILITY; CLAIMS 0630443 THROUGH 0630484 INCLUDING \$113,213.70 FROM THE WASTEWATER OPERATIONS & MAINTENANCE FUND AND FOR A TOTAL OF \$113,213.70 FROM THE WASTEWATER UTILITY; AND A TOTAL OF \$156.59 FROM THE WASTEWATER/ STORMWATER UTILITY. TOTAL CLAIMS APPROVED - \$302,816.54.

Board member Vaught asked that close attention be paid to holding enough of the funds for Danis to cover liquidated damages.

Board member Ehman asked about claims for two Y2K phones. Deputy Director Langley explained that they are portable back up phones at Dillman and Blucher Poole. Mr. Ehman also asked about the accounting practice of the Utilities Department billing themselves for water and wastewater. Budget Analyst Trexler said that it's a traditional practice that makes it possible to reconcile the meter readings with amounts billed for.

Board President Swafford asked about a claim for Outback Steakhouse. Utilities Director Murphy said that Outback had mistakenly sent a check to the City of Bloomington, Indiana Utilities when it had been meant for the City of Bloomington, Illinois Utilities. The check had been deposited and is now being refunded.

MOTION CARRIED. 5 AYES, 2 MEMBERS ABSENT, (HENKE AND WHIKEHART).

Board member Whitehart arrived at this time.

WIRE TRANSFERS AND FEES FOR THE MONTH OF APRIL 2006:

BOARD MEMBER VAUGHT MOVED AND BOARD MEMBER EHMAN SECONDED THE MOTION TO APPROVE THE WIRE TRANSFERS AND FEES FOR THE MONTH OF APRIL 2006 IN THE AMOUNT OF \$781,847.04.

Board member Ehman asked why the credit card charge had gone up so much. Budget Analyst Trexler said the charge is related to usage. Many more customers are using credit cards to pay their bills than previously.

MOTION CARRIED. 6 AYES. 1 MEMBER ABSENT (HENKE).

APPROVAL OF CONTRACTS WITH SCHMIDT ASSOCIATES:

Engineer Mike Hicks explained that Schmidt Associates are the architects who are designing the new Service Center to replace the one that was fire damaged. He said that one of the contracts is an amendment to a previous contract the USB had approved for the amount of \$150,000.00. As the preliminary engineering and design work was done it became clear that there are some further needs and a change in the scope of the project. Considerably more site work will be needed than was originally anticipated. Also, about another 3,000 square feet have been added to the project to upgrade the supply area. Demolition has also been added to the contract. Contingency has been added as well due to the current volatility in the pricing of materials. This increases the original contract of \$150,000.00 to \$209,250.00.

Board member Micuda asked how much the original RFP had been Utilities Director Murphy replied that it had been for \$2 million.

Mr. Hicks stated that the second contract with Schmidt Associates is for furnishings and fixtures. The amount for that is 10% of the total. This will allow the architects to begin to plan the positioning of the modular fixtures. The fee for this contract is \$30,000.00.

Board member Ehman asked if there had been an expectation that this was to be a separate contract. Mr. Hicks confirmed that there was.

BOARDMEMBER SANDBERG MOVED AND BOARD MEMBER ROBERTS SECONDED THE MOTION TO APPROVE THE CONTRACTS WITH SCHMIDT AND ASSOCIATES. MOTION CARRIED. 6 AYES. 1 MEMBER ABSENT (HENKE).

APPROVAL OF A RESOLUTION TO PERMIT ENCROACHMENT FOR THE INSTALLATION OF A SEPTIC:

Deputy Director Langley said that this involves a piece of property on Spillway Road by Lake Lemon that is owned by Tom and Virginia Wyss. Mr. Langley said that he had been approached by the Wyss' and the Monroe County Health Department about the fact that the Wyss' septic system, which encroaches on City Utilities Departments' property, has failed. The Health Department is requesting that a new working septic system be installed which will also have to encroach on City property. This agreement formalizes their right to encroach on that property. It is a reversible agreement and Utilities would have the right to go back and ask that the finger system be removed. Mr. Langley said that Utilities staff supports this request in the interest of water quality.

Board member Vaught asked what Utilities' present use of the property is. Mr. Langley replied that no use is being made of that property and it is being maintained by the Wyss'.

Board President Swafford asked how far this is from the water's edge. Mr. Langley thought that it is about 67 yards. Mr. Swafford wanted to know if the septic couldn't go in front of the Wyss' house. Mr. Langley replied that that would be difficult due to elevation differences.

Mr. Langley asked that he be allowed to let the Wyss' start work on the septic as quickly as possible.

Mr. Wyss said that the old system is 30 years old. With the new system they will go in the opposite direction and stay on their own land as much as possible. The Health Department recommends that a small amount of encroachment occur.

BOARD MEMBER EHMAN MOVED AND BOARD MEMBER VAUGHT SECONDED THE MOTION TO APPROVE THE RESOLUTION TO PERMIT ENCROACHMENT FOR THE INSTALLATION OF A SEPTIC SYSTEM. MOTION CARRIED. 6 AYES. 1 MEMBER ABSENT (HENKE).

Board member Ehman asked Deputy Director Langley if it is likely that there are other septic systems encroaching on Utilities' property. Mr. Langley agreed that was very likely.

Board President Swafford asked if someone would be inspecting the work done on the septic. Mr. Langley replied that he didn't know for sure but thought that Monroe County would be likely to do that. He said he would get back to Mr. Swafford with that information.

OLD BUSINESS:

No new business was presented.

NEW BUSINESS:

No old business was presented.

SUBCOMMITTEE REPORTS:

Utilities Director Murphy reported that there had been a meeting of the Rules and Regulations Subcommittee. City Attorney Renfrow gave them a presentation about an illicit discharge ordinance and Deputy Director Langley gave a presentation on a pre-treatment ordinance. The Subcommittee's recommendation was to approve both the ordinances. Mr. Murphy said that Ms. Renfrow had asked that the ordinances not be brought to the full board before the June 26th meeting because she will be gone on vacation.

Deputy Director Langley mentioned that at the Subcommittee meeting Board member Roberts had asked about a notification requirement that was different in two different sections of the ordinance. He said that staff would be clarifying that and would send out a memo about it.

STAFF REPORTS:

Sean Bright with Schmidt Associates said that they are approximately 85% done with the construction documents. He anticipates having an owner's set for review by Friday, June 9th. There will be a week and a half review process then there will be about a week and a half for comments. The project

will be put out to bid in late June. The USB will be asked for approval of the bids in late July or early August which should allow for the project to be completed by July of 2007.

PETITIONS AND COMMUNICATIONS:

There were no petitions or communications.

ADJOURNMENT:

The meeting was adjourned at 5:30 p.m.

L. Thomas Swafford, President